

Message Text

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11
ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 COME-00 CIAE-00 DODE-00 DOTE-00

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R 191750Z AUG 76
FM AMEMBASSY MANAGUA
TO SECSTATE WASHDC 901
INFO AMCONSUL BELIZE
AMEMBASSY BOGOTA
AMEMBASSY BRIDGETOWN
AMEMBASSY CARACAS
AMEMBASSY GEORGETOWN
AMEMBASSY GUATEMALA
AMEMBASSY KINGSTON
AMEMBASSY PANAMA
AMEMBASSY PORT AU PRINCE
AMEMBASSY SAN JOSE
AMEMBASSY SAN SALVADOR
AMEMBASSY SANTO DOMINGO
AMEMBASSY TEGUCIGALPA
AMEMBASSY MEXICO
AMEMBASSY CURACAO
AMEMBASSY PORT OF SPAIN

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TAGS: EWWT, ETRD, EALR, NU, XK, XL
SUBJECT: NICARAGUAN VIEWS OF NAMUCAR

REF: A. STATE194668 B. SAN JOSE 3991

1. BEGIN SUMMARY: NICARAGUAN REPRESENTATIVE ON NAMUCAR BOARD
OF DIRECTORS OPTIMISTIC ABOUT LINE'S FUTURE. ARRANGING MEETING
OF NAMUCAR DIRECTORS HERE AUGUST 19 AND 20. ANTICIPATES
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EXPANSION OF FLEET AND BELIEVES COLOMBIA MAY JOIN CONSORTIUM.

HAS NOT YET EXPERIENCED ANY PROBLEMS FROM CUBA. HEAD OF SOMOZA FAMILY-OWNED MAMENIC SHIPPING LINE, HOWEVER, MUCH CONCERNED ABOUT COMPETITION FROM NAMUCAR AND APPREHENSIVE THAT LATTER MAY EXPAND OPERATIONS TO PACIFIC PORTS. END SUMMARY.

2. EMBOFFS DISCUSSED NAVIERA MULTINACIONAL DEL CARIBE (NAMUCAR) WITH VICE MINISTER OF PUBLIC WORKS REMY RENER AUGUST 17. RENER, WHO IS LEADING ADVOCATE OF NAMUCAR IN GON CIRCLES AND NICAAGUA'S REPRESENTATIVE ON FIRMS BOARD OF DIRECTORS, SAID DIRECTORS WILL MEET HERE AUGUST 19 AND 20. N.B. REMY INTRODUCED SUBJECT, AND EMBOFFS FOLLOWED UP DISCREETLY.

3. RENER ELATED WITH NAMUCAR'S OPERATING PERFORMANCE (SEE REFTTEL B) WHICH, HE SAID, HAD THIS MONTH REACHED BREAK-EVEN POINT, SOME 9 MONTHS AHEAD OF INITIAL EXPECTATIONS. IN RESPONSE TO QUESTION, RENER DENIED THAT NAMUCAR RECEIVING ANY GOVERNMENTAL SUBSIDIES.

4. RENER EXPECTS NAMUCAR'S DIRECTORS TO APPROVE AT THIS WEEK'S MEETING THE LEASING OF ADDITIONAL VESSELS. THEY MAY ALSO CONSIDER PURCHASING ONE OR MORE SHIPS, HE ADDED. ACCORDING TO RENER, PRESENT DRY CARGO VESSELS ARE LEASED FROM GERMANY WITH GERMAN CREWS. NICARAGUA, HOWEVER, SENDING TWO CADETS TO MEXICAN MERCHANT MARINE SCHOOL IN LINE WITH NAMUCAR'S PLAN TO EVENTUALLY MAN ITS SHIPS WITH NATIONALS FROM PARTICIPATING COUNTRIES.

5. RENER OPTIMISTIC ABOUT NAMUCAR'S FUTURE. BELIEVES COLOMBIA MAY SEEK TO JOIN ORGANIZATION NOW THAT LATTER'S FINANCIAL VIABILITY SEEMS ESTABLISHED. CUBANS, HE NOTED, HAVE NOT YET CAUSED ANY PROBLEMS IN NAMUCAR OPERATIONS. TEST MAY COME, HE HINTED, WHEN AND IF NAMUCAR'S DIRECTORS PUT UP TO 40 PERCENT OF COMPANY'S SHARES ON PRIVATE MARKET, AS ITS CHARTER AUTHORIZES. IN RESPONSE TO QUERY, RENER SAID NAMUCAR DOES NOT INTEND TO SERVICE PACIFIC PORTS BUT WILL CONTINUE TO CONCENTRATE ON CARIBBEAN AREA.

6. EMBOFF ALSO SOUGHT VIEWS OF FAUSTO AMADOR, MANAGER OF MAMENIC LINES, THE PRIVATELY-OWNED (SOMOZA FAMILY INTERESTS) NATIONAL SHIPPING LINE. AMADOR EXPRESSED BOTH STRONG OPPOSITION LIMITED OFFICIAL USE

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TO WHOLE NAMUCAR CONCEPT AND FEAR THAT THIS GOVERNMENT-OWNED REGIONAL LINE WOULD SERIOUSLY HARM PRIVATESHIPPING FIRMS. AMADOR EXPLAINED THAT HE HAD ORIGINALLY ACCEPTE PRESIDENT SOMOZA'S VIEW THAT NICARAGUA SHOULD PARTICIPATE IN NAMUCAR CONSORTIUM SO AS TO MODERATE CONSORTIUM POLICIES. RECENT DEVELOPMENTS, HOWEVER, HAVE MADE AMADOR FIRM OPPONENT OF NAMUCAR.

7. AMADOR CLAIMED THAT NAMUCAR IS HEAVILY SUBSIDIZED AND THEREFORE NOT CONCERNED ABOUT MAKING A PROFIT, THAT NAMUCAR CUTTING RATES SHARPLY, AND THAT NAMUCAR PLANNING SERVICE TO PACIFIC COAST OF CENTRAL AMERICA. LATTER SERVICE, HE SAID, IS LEGAL UNDER NAMUCAR CHARTER SHOULD ANY MEMBER COUNTRY REQUEST SUCH SERVICE. CLAIMED THAT TRUSTED COSTA RICAN SOURCE INFORMED HIM THAT GOCR INDEED REQUESTING PACIFIC SERVICE. COMMENT: AMADOR UNABLE TO PROVIDE PROOF OF HIS CHARGES AGAINST NAMUCAR AND IS OBVIOUSLY GREATLY CONCERNED THAT AGGRESSIVE NAMUCAR COMPETITION COULD HARM MAMENIC, THE LARGEST CENTRAL AMERICAN FLAG CARRIER. THEBERGE

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